

[Mr. M. R. Seturatnam Ayyar] [30th March 1928]

"As regards the serum, referred to by hon. Mr. Saldanha, I have already stated that the serum . . ."

\* The hon. the PRESIDENT:—"The motion under consideration now relates to the scale of pay of the officers of the Veterinary department."

Dr. B. S. MALLAYYA:—"Are they allowed private practice?"

The hon. Mr. M. R. SETURATNAM AYYAR:—"As regards free quarters, I understand that the officers have applied for Government quarters saying that they should be supplied either with free quarters or should be given house-rent allowance. I shall see what I can do for them in the matter, when a suitable opportunity occurs."

Mr. A. B. SHETTY:—"I do not press my motion, Sir."

The motion was by leave withdrawn.

Mr. P. ANJANEYULU:—"With your permission, Sir, may I know whether we can take advantage of Mr. Slater's presence in the House?"

\* The hon. the PRESIDENT:—"No, not at all."

\* Mr. R. NAGAN GOWDA:—"Mr. President, Sir, I move—

*'that the allotment of Rs. 8.37 lakhs for Civil Veterinary Services be reduced by Rs. 1.60'*

in order to discuss the question of eliminating the scrub bulls of the country.

"Sir, there are bulls of the poorest quality. There is a good deal to be said on the necessity of the Veterinary department, at least for the purpose of reducing the disease of the cattle; but the best method to fight the disease is to eliminate bulls of poor quality. At present, Sir, this work is being carried on by the Agricultural department. I want to suggest that this work may be taken up by the Veterinary department, and if the veterinarians carry on this work during their tours, they will be able to eliminate a lot of disease-carrying poor bulls.

p.m. "And for this purpose it is better if strong and pure bred bulls are maintained. And to supplement this, undesirable scrub bulls should be castrated."

\* Mr. A. McG. C. TAMPOE:—"Mr. President, if the hon. Member means to render the ordinary village bull innocuous to the herd, it can be done only by surgical operation and we shall take his suggestion into consideration. But to do so on a large scale we have not the necessary staff. And what is more there is no legal authority to enforce it on all scrub bulls, unless we have the consent of the owners and the support of the public."

The motion was by leave withdrawn.

The question that the Government be granted a sum not exceeding 8.37 lakhs under Demand XXIII—Civil Veterinary Services was put to vote and carried and the grant was made.

30th March 1928]

DEMAND XXIV—CO-OPERATIVE SOCIETIES

\* The hon. Mr. M. R. SETURATNAM AYYAR :—“ On the recommendation of His Excellency the Governor I move—

*‘ that Government be granted a sum not exceeding 9.20 lakhs under Demand XXIV—Co-operative Societies ’.*”

\* Mr. S. ARPUDASWAMI UDAYAR :—“ Sir, I move—

*‘ to reduce the allotment of Rs. 66,500 for Registrar by Rs. 100 ’*

to discuss the development of co-operative organizations.

“ Sir, there has been an increase in the number of co-operative societies and banks. Though that is gratifying yet it must be admitted that, as has been admitted by the Registrar of Co-operative Societies, Mr. Hood, these banks and societies though intended to relieve the indebtedness of the agriculturist have not achieved that object. I myself was an eye-witness of the appalling lengths to which this evil has spread. In a place called Marneri in the Tanjore taluk I have seen the people of that place carrying about 2,000 kalams of paddy immediately after harvest to their creditors at Trichinopoly. Now the rates of interest are certainly abnormal; generally it is 12 per cent and sometimes more, and if the debtor does not pay interest for a certain number of months he has to pay compound interest. I am sorry to find in the report that the Land Mortgage Banks are not working satisfactorily. Therefore this problem of indebtedness has not yet been satisfactorily solved. When co-operative societies are started in the villages people are eager to get loans but when it comes to payment of interest or capital I find in many places the villagers absconding when the Co-operative Inspectors go there. Hence you have those overdues that figure in the list. Further it is said in the report and admitted by the Registrar that this is due to lack of adequate supervision. I would also urge that panchayats, unions or other organizations pledged to spread co-operation should not take part in political and party activities (hear, hear) but should work with disinterested motives. Besides, just at the time when a larger staff is required I find the department introducing the principle of retrenchment (laughter) so that in an office of the Assistant Registrar where there were formerly eight or nine clerks you find four or five clerks. They are overburdened with work and therefore they cannot discharge their work satisfactorily.

“ I say knowledge of co-operation ought to be spread among the illiterate people. I am glad to find that when Mr. Ranganatha Mudaliyar visited Tanjore as Development Minister to preside over the Co-operative Conference he insisted on the opening of educational courses in co-operation. Reference was also made to the work of one educational centre. I think it would be advantageous to have such classes opened in places not like Kumbakonam and other large centres where we have a number of retired officials and cultured mirasdars but chiefly in taluks where we have a large number of poor ignorant ryots.

“ Then, Sir, the central banks attract large deposits with the result that there is very little difference between the interest paid by these banks and that of the Imperial Bank. I therefore suggest there should be a reduction in the rate of interest at which money is lent to the co-operative societies. I press on the hon. Minister the need for investigation so that co-operation may be conducted on sound lines, otherwise the main object with which these

[Mr. S. Arpudaswami Udayar]

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co-operative societies were started and also central and small banks and Land Mortgage Banks were brought into existence, the very object, namely, to afford substantial relief to the agricultural and the labouring classes, especially in this matter of indebtedness will not be realized. 'I for one, and I hope every one in this House, think that this co-operation will be the salvation of the country. (Cries of 'Oh' from the Swarajists.) It has been the salvation of many countries in Europe and it is by means of this co-operation that the working classes, the labouring classes and the poorer classes have been rescued from the subjection and control of the capitalists. The capitalist has under his control the factors of production and distribution. In Holland, in Belgium, Germany and other countries (a voice: 'In Russia too') we find that as a result of the spread of this co-operation on sound lines the labouring classes and the poor agriculturists are self-reliant. This has destroyed the centralization of profits and this has solved the problem of lock-outs. As regards ruinous litigation the question was put to the Registrar when he appeared before the Commission to give evidence as to whether co-operation has put an end to it and he said, without facts and figures before him, that on the whole there was improvement. I do not believe in these vague generalities. This movement prevents the impoverishment of the masses and saves them from the clutches of the money-lenders. Just as in the West co-operation has made the people independent, has taught them to realize their power, their influence for good likewise I think if the work is carried on and if the hon. Minister who has just taken this portfolio vigorously goes into this question to see that the poor agricultural classes are afforded real relief, then co-operation in this province will make the people self-reliant, will put a stop to the abuse of litigation, will save them from the clutches of the money-lenders and make their lives happier and more prosperous."

\* Mr. V. I. MUNISWAMI PILLAI:—"Mr. President, I rise to oppose this motion. But at the same time I will be failing in my duty if I did not say a few words in appreciation of what Government has done for the expansion of the co-operative movement. I know, Sir, that Government have been doing something for the depressed classes. No doubt they have started co-operative societies but there are a few defects here and there and I hope the hon. the new Minister who has taken charge of this portfolio will move to afford better facilities for the depressed classes, by fixing a different ratio of the share capital. The rule now prevailing is to give equal opportunities to all classes of people who start co-operative organizations."

"Speaking about building societies there is a certain amount of delay in sanctioning loans which causes a great deal of discouragement among the members. I know the conditions in Nilgiris where we enjoy only a four months building season. The present rules are, the application has generally to be made to the Deputy Registrar and he in turn forwards it to the Registrar and there a certain amount of delay takes place. I may say that a great deal of interest has been taken by the Co-operative Department in encouraging building societies, and I would request Government to see that very little delay takes place, or rather shall I say that no delay takes place in sanctioning loans."

Swami A. S. SAHAJANANDAM:—"எங்களுடைய முன்னேற்றத்திற்கு ஐக்கிய நாணய சங்கங்கள் மிகவும் அவசியமானவை. சங்கங்களை கற்பக விருட்சத்திற்குச் சமமாக உணர்கின்றேன். எங்களுக்காக ஏற்பட்



30th March 1928] [Swami A. S. Sahajanandam]

டின்ன சங்கங்களை இரண்டு வகையாகப் பிரிக்கலாம். ஒன்று கோவாபரேட்  
 டிவ் ரெகுலர் டிபார்ட்மென்ட் மூலம் ஏற்பட்டவை, மற்றொன்று லேபர்  
 டிபார்ட்மென்ட் மூலம் ஏற்பட்ட ஸொஸைட்டிகள். முற்கூறியவை  
 நல்ல வேலைகளைச் செய்கின்றன. ஆனால் லேபர் டிபார்ட்மென்ட் மூலம்  
 ஏற்பட்ட ஸொஸைட்டிகள் நல்ல வேலைகளைச் செய்யவில்லை யென்றே  
 சொல்லுவேன். தாலூகா ரெவினியூ அதிகாரிகள் கிராமங்களுக்குச் செல்  
 வும்போது ஆங்குள்ள குறைகளை ஜில்லா லேபர் ஆபீஸருக்கு எழுது  
 கிறார்கள். உடனே லேபர் ஆபீஸர் ஒரு ரெவினியூ இன்ஸ்பெக்டரை  
 அனுப்புகிறார். அவர் கிராமத்திற்குச் சென்று அதிகாராவிடர்களுக்கு  
 மனைக்கட்டுகள் அவசியம் என்று தெரிவிக்கிறார். உடனே ஒரு சங்கத்  
 தைக்கூட்டி அதன் மூலம் மனைக் கட்டுகள் கொடுக்கிறார்கள். அரசாங்கத்  
 தாராது புறம்போக்கு நிலமாயிருந்து இலவசமாகக் கொடுப்பதாயிருந்  
 தாலும் அங்கும் ஒரு ஸொஸைட்டி ஏற்படுத்தி முதலில் பங்காக ரூபாய்  
 ஐந்தேகால் வாங்குகிறார்கள். ஆனால் அந்த ஸொஸைட்டிகளுக்கு மனைக்  
 கட்டு கடன்களில்லாமையால் அவைகள் கிராமமாக வேலை செய்கின்றன.  
 மனைக்கட்டுகள் கொடுப்பதற்கு புறம்போக்கு நிலங்களில்லாத விடங்களில்  
 அரசாங்கத்தார் நிலைக்கு வாங்கிக்கொடுக்கிறார்கள். அரசாங்கத்தார் நிலம்  
 வாங்க முதலில் கொடுத்த தொகைக்கு ஷேர்வாங்கிய மனைக்கட்டுகளை  
 அடமானமாக வைத்துக்கொண்டு அடமானக் கடனைத் தீர்ப்பதற்கு ஐக்ய  
 நாணயச் சங்கம் ஏற்படுத்திக் கொடுக்கிறார்கள். சங்கத்தின் அங்கத்தினர்  
 களிடம் மாதா மாதம் ஒவ்வொரு ரூபாயாக வருவிக்கிறார்கள் இப்படி  
 தென்னாற்காடு முதலான ஜில்லாக்களில் நடைபெறுகின்றது. உதா  
 ரணமாக, ஒருவனுக்கு நூற்றைம்பது ரூபாய்களுக்கு மனைக்கட்டு வாங்கிக்  
 கொடுத்திருக்கிறார்கள். அந்தத் தொகைக்கு மாதம் ஒன்றுக்கு வட்டி  
 ரூபாய் ஒண்ணரை யாகிறது. அங்கத்தினரிடம் மாதம் ஒரு ரூபாய்க்கு  
 மேல் வாங்க முடியாது. அங்கத்தினன் மாதம் ஒரு ரூபாய் கொடுக்கி  
 ருன். இப்படி இவன் வருஷ முழுவதும் கொடுத்த பிறகு தனது கட  
 னில் 12 ரூபாய்கள் கழிந்தவிட்டது என்று நினைக்கிறான். ஆனால் அவ  
 னுக்கு வட்டி வருஷத்தில் 18 ரூபாய்களாகிறது. அதில் 12 ரூபாய்கள்  
 போனால் வட்டியில் ஆறு ரூபாய்கள் பாக்கி நிற்கின்றன. இருபது வரு  
 ஷங்களானால் அசல் இருதவடியே இருக்க வட்டியில் கொடுத்த இரு  
 நூற்றைம்பது போக பாக்கி வட்டி 120 ஆகிறது. முடிவில் கொடுத்  
 தது போக வாங்கிய மனைக்கட்டுப் போவதோடு உள்ள சொத்தும் போகு  
 நிலைமை யேற்பட்டு விடுகிறது. ஆதலால் மனைக்கட்டுக்காக ஏற்பட்  
 டிருக்கும் சங்கங்களால் யாதொரு பயனும் உண்டாகாது. மேற்படி சங்  
 கங்களால் ஐக்ய நாணயச் சங்கங்களின் பயன் சித்திப்பதில்லை. கடன்  
 தீருமட்டும் அவர்கள் சங்கங்கள் மூலம் கொடுக்கல் வாங்கலாதி ஐக்கிய  
 இயக்கத்தின் பயனையடைய முடியாது. ஆதலால் மனைக்கட்டுகளுக்காக  
 சர்க்கார் தீர்வை வாங்கும் காலத்திலேயே மனைக்கட்டு கடன்களுக்கு வரு  
 ஷத்தில் இவ்வளவு கொடுக்கவேண்டுமென்று நிச்சயித்து அப்படியே வரு  
 விப்பது நலமாயிருக்கும். செங்கல்பட்டு ஜில்லாவில் இப்படி நடைபெறு  
 கிறது. 'தக்கோமன்னியூல் லிஸ்டம்' அதுவே. அப்படியே தென்னாற்காடு  
 ஜில்லா முதலான இடங்களிலும் வருவித்துக்கொண்டு ஐக்ய நாணயச் சங்  
 கங்களில் பண லேவாதேவி செய்யும்படி விட்டுவிட்டால் சங்கங்களின்  
 பயனை யனுபவிப்பார்கள்.

[Swami A. S. Sahajanandam]

[30th March 1928]

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“ஐக்கிய சங்கங்களிலும் தீண்டாமையா?—ரெகுலர் இலாகாவில் ஏற்பட்டுள்ள சங்கங்களுக்கு யூனியன்களேற்பட்டுள்ளன. மேற்படி சங்கங்களுக்கு ஒவ்வொரு ஜில்லாவிலும் கோவாபரேட்டிவ் அர்பன் பாங்க் ஏற்பட்டிருக்கிறது. சங்கங்கள் யூனியன் மூலம் ஜில்லா பாங்கோடு சம்பந்தம் வைத்துக்கொண்டிருக்கின்றன. பணம் அனுப்பவும் வாங்கவும் அவைகளுக்கு மிகவும் அனுகூலங்களிருக்கின்றன. ஆனால் லேபர் ஆபீஸர்கள் மூலம் ஏற்பட்ட ஆதிதிராவிட சங்கங்களுக்கு யூனியனில்லை. சென்னையிலுள்ள கிறிஸ்டியன் லெண்டர்ஸ் பாங்குக்குப் பணம் அனுப்பவேண்டும். மணியார்டர் செலவு என்ன ஆகிறதென்பதைக் கவனித்து பாருங்கள். அன்றியும் சென்னையிலுள்ள கிறிஸ்டியன் லெண்டர்ஸ் பாங்குக்கு மந்தைய சங்கங்கள் அங்கங்களாதலால் தக்வல் தெரியலோ ஜெனரல்பாடி மீட்டிங்குக்கோ வருவதாயிருந்தால் என்ன செலவாகும். திருநெல்வேலி ஜில்லாவிலிருந்து சென்னைக்கு வருவதாயிருந்தால் எவ்வளவு கஷ்டம் ஏற்படும், உணர்ந்தபார்க்கவேண்டும். மந்தைய யூனியன்களிலும் ஜில்லா பாங்குகளிலும் மேற்படி ஆதிதிராவிட சங்கங்களை சேர்க்காமலிருப்பதற்கு காரணம் ஜாதி கொடுமையல்லவா. ஐக்கியநாணயச் சங்கத்திலுமா நாங்கள் தீண்டாதவர்களாயிருக்கவேண்டும். ஆதலால் லேபர் டிபார்ட்மென்ட் மூலம் எங்களுக்காக ஏற்பட்டுவரும் லெண்டிங்களால் அவற்றின் பயனையடையவும், மந்தைய யூனியன்களோடு சம்பந்தமிருக்கவும், ஜில்லா அர்பன் பாங்கோடு சம்பந்தமிருக்கவும் அரசாங்கத்தார் செய்யவேண்டும். அல்லது எங்களுக்காக ஒரு தனி பாங்க் ஏற்படுத்திக் கொடுக்கவேண்டும்.”

Mr. C. N. MUTHURANGA MUDALIYAR :—“ Sir, in supporting this motion I should like to draw the attention of the hon. Minister to the vagaries of the department in the city of Madras. There was a time when there were only 30 or 35 societies in the city; but there are now more than 100 societies. I understand that these societies have been started promiscuously in order to create the necessity for a post of Assistant Registrar. Many of these societies are Adi-Dravida societies. Unfortunately their level of literacy is not sufficient to work the societies to the best advantage. Many of these societies have large overdues and the department seems to have called upon them to liquidate these societies. These societies have asked the Government for an extension of time so that they may rectify their errors. They have also appointed an enquiry committee consisting among others of Messrs. Ramadas and M. C. Raja. One of the societies has already been liquidated and three more are pending. Since orders were passed, collections are coming in and they are also prepared to advance the interest. These societies ought not to be liquidated, but must be given a chance. I would request the hon. Minister to postpone liquidation for six months or an year, or if that is not possible at least till the enquiry committee has made its recommendations.”

\* Mr. M. V. GANGADHARA SIVA :—“ Mr. President, Sir, the advantages of co-operative societies are well recognized, especially by our community which has been oppressed by the caste Hindus. There are instances of loans taken several years back, but though several instalments have been paid, the capital remains unpaid for future generations even. It is no wonder therefore that on account of the social difficulties, their illiteracy, and their servitude, they are in the hands of the leechlike money-lenders and cruel

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landlords. This can be only remedied if the Labour department in the district contains a large number of members of the depressed classes and they have a net work of co-operative societies. Though we have a separate department for this I have no faith in the success of this department for the depressed classes. It requires a certain amount of paternal care. The Fisheries department includes in its activities the education of fishermen children also. The Labour department also should be worked on the same lines."

\* Mr. T. ADINARAYANA CHETTIYAR :—"Mr. President, Sir, the hon. Members who have preceded me have said enough to show that it is not all well with the co-operative department as it is at present worked. Some months back, when another Ministry was in power, in this House a resolution was brought to appoint a committee to overhaul the department in this province. The fate of that unfortunate resolution is fresh in our minds. The then hon. Minister instead of giving effect to the long-cherished desire of the House for a committee consisting of representative members of this House among others, which would have commanded the respect of the country, appointed a committee entirely different in composition from the one sought by the House. Some of the members of the committee had absolutely no knowledge of co-operation; and as if local talent was not enough, they brought in an officer from outside as President, who confessedly had no knowledge of co-operation though he had other experience. This committee worked for 120 days and they have enriched their report with 240 recommendations. I do not want to take up the time of the House by dilating upon how the whole thing was hatched. The President stayed with the Registrar and the Roman hand of the Registrar is seen in almost every word of the questionnaire. It was one-sided and did not cover many of the important branches of the co-operative movement.

"Then, Sir, as regards the evidence taken by the committee, my hon. Friend, Mr. R. Srinivasa Ayyangar, has given notice of a motion but he is not here. The whole country demands that that evidence ought to be published. But the committee in its wisdom, which is not understood by the ordinary people, decided not to publish the evidence. There is a widespread belief that the recommendations of the committee as have finally emerged in the report are not borne out by the consensus of evidence that was taken. I do not want to dilate on the way in which the evidence was taken. Many impartial people were kept out or had to keep out. Circulars from the Registrar's office in Chepauk went in advance to the various bodies hinting that it was desirable to give evidence in a particular way. This was done not directly but insidiously. Not content with drafting such a questionnaire and sending objectionable circulars, the Registrar himself in a most objectionable and shamefaced manner followed the committee from place to place, and from village to village. When honorary appointments are going to be made and people have relations to be taken into the department, if the Registrar goes like this from place to place we can judge of the independent nature of some at least of the evidence tendered to the committee. It will take me very long to analyse the 240 and odd recommendations of the committee. But even a cursory glance will show that the effect will be to increase the powers of the Government and reduce even the scanty powers of non-officials now existing. While professing to train the people for self-government and pretending to non-officialise the movement, the recommendations have the effect of putting more and more powers—even extraordinary and dangerous



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powers—in the hands of the Registrar and his officers and correspondingly reduce the power of the non-official workers. It will be a long catalogue if I were to give an account of the new powers sought to be conferred on the Registrar.

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“He is to get some of the rule-making powers of this Government, he is to get some of the powers of the Government of India Act itself—because by one stroke of the pen he could say that such and such a society should only borrow up to a certain reduced limit and so on. The societies have to act to his dictation. These are only samples of the extraordinary powers which are sought to be taken by the Registrar. Public opinion in no civilized country would endorse such an attitude on the part of officialdom. It may no doubt be urged that there are safeguards; but a close examination will show these are more imaginary than real. Then coming to the committee, the questionnaire and the string of questions which were repeated at every place show that the committee or one section of it wanted to see that the Imperial Bank subtly dominated the whole of the co-operative finance in this province. At every stage the Registrar was saying though not in so many words that the interests of the Imperial Bank were paramount. The Imperial Bank representative might be a financing expert, but it cannot at the same time be forgotten that the policy of the Imperial Bank is at variance with the growth of real financial prosperity of the co-operative movement. Sir, they say that the two eyes of the image in the temple of Jagannath are lustrous diamonds of rare value and beauty. To the devout worshipper the diamonds are holy things, but to one who casts covetous eyes on those diamonds or to a greedy and profiteering jeweller from Hatton garden they are perhaps only covetable treasures. In the same way the interest of the Imperial Bank in the financial prosperity of the Madras ryot is no more than that of the profiteering jeweller from London coming to estimate the market value of the diamonds which form the eyes of the God Lord of the Universe. The Imperial Bank view, as I said, dominates everywhere right from the beginning to the end. Further, there is one other thing which is patent. The seeds of discord have been sown though not deliberately but nonetheless effectively among the groups of non-official workers. There seems to be a distinct policy pursued by the Registrar during the last two years or so. The means he adopted was to set up a pro-federation group against the Central Bank, as if the objects of the Central Bank or its constitution are fundamentally different from those of the federation. But the Registrar seems to make a fetish of it and by doing so he has sown broadcast the seeds of internal dissension and unhealthy rivalry. Considering the reactionary nature of some of the recommendations whereby dangerous powers are sought to be conferred on the officials and considering also the insignificant position to which non-officials are going to be reduced under the new regime, myself and many other non-official workers are full of apprehensions as to the future of the co-operative movement in this province. I lay so much stress on this because I believe in co-operation, I believe that this is the only movement which can set the ryot on the road, if not to financial prosperity, at least, to ensure his having one square meal a day. If that source is vitiated at the very fountainhead by an official-ridden committee whose qualifications are questionable and by a Registrar who is trying to deprive the non-officials of even the scanty powers they have got, I have reason to fear for the success of the movement. I hope the hon. the Minister who is unfortunately new to this work, will go through the committee's recommendations and also invite

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the opinions of responsible people and not be in a hurry to endorse the committee's recommendations without a critical and searching examination. But if he does accept the committee's recommendations as they are, I can assure him that he will set back the clock of progress, not by a year or two, but by a full quarter century."

\* The hon. Mr. M. R. SETURATNAM AYYAR :—"Sir, I need not dwell on all the things done for the co-operative movement in the past, but I will only say that serious attempts are now being made to develop co-operation in the presidency. Among the efforts made to improve co-operation, I may mention the development of non-official supervision and grant of State loans to co-operative building societies. As to the question raised by Mr. Muniswami Pillai, regarding delay in the disbursement of loans, amendments of the rules are under consideration and action will be taken. We are establishing land mortgage banks and grants are made for the construction of godowns. Mr. Arpudaswami Udayar stressed on co-operative education. I can say that we are now providing for instruction on co-operation in the Commercial College at Madras.

"As regards land mortgage banks, we have got now four, of which one is working satisfactorily. With regard to the depressed classes they are under the Labour Commissioner and the delay in sanctioning loans, etc., will have to be considered by that department. I can also state that the supervisors in the Labour department are all men trained in the regular Co-operative department lent to that department and they are familiar with the work they have to do.

"With regard to the point raised by Mr. Muthuranga Mudaliyar, about the liquidation of the Adi-Dravida Societies, some appeals are now pending before Government and they will be disposed of as early as possible.

"With reference to the points raised by Mr. Adinarayana Chettiyar, I may say that the members of the committee—(Mr. T. Adinarayana Chettiyar: 'They are hopeless')—the members of the committee are not entirely hopeless, they are men of very good status, men like the hon. Ramadas, Mr. Ramalinga Chettiyar and Mr. Devadhar are not ordinary men. The Government will consider the recommendations very seriously and action will be taken only after the recommendations are carefully considered. As to the questionnaire, Mr. Adinarayana Chettiyar might have himself objected to it and suggested improvements."

MR. T. ADINARAYANA CHETTIYAR :—"I boycotted it."

MR. K. V. R. SWAMI :—"I move that the question be now put."

The closure motion was put and carried.

The motion to reduce the allotment of Rs. 66,500 for Registrar by Rs. 100 was put and lost.

The question whether the demand can be put to the House, was put and passed.

The demand was then put to the House and carried and the grant was made.



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## DEMAND XXV—CINCHONA.

\* The hon. Mr. A. Y. G. CAMPBELL :—" On the recommendation of His Excellency the Governor, I move—

*'that the Government be granted a sum not exceeding Rs. 2·10 lakhs under XXV—Cinchona.'*"

The demand was put to the House and carried and the grant was made.

## DEMAND XXVI—INDUSTRIES.

\* The hon. Mr. M. R. SETURATNAM AYYAR :—" On the recommendation of His Excellency the Governor I move

*'that the Government be granted a sum not exceeding Rs. 14·58 lakhs under Demand XXVI—Industries.'*"

Mr. SAMI VENKATACHALAM CHETTI :—" I move, Sir,

*'to reduce the allotment of Rs. 1,41,600 for direction by Rs. 100 to discuss the delay in deciding the fate of the Carnatic Paper Mills, Rajahmundry.'*

" Mr. President, the House has been refreshed with information regarding the manner in which the Government have been dealing with the Carnatic Paper Mills. If credit can be taken by the Government of Madras for having done anything under the State Aid to Industries Act, it is only in respect of the subvention which the Government made some time ago to the paper mills. But as in the case of several other things, the Government have been very parsimonious in this matter. The possibility of a paper industry in this Presidency has been very well demonstrated by investigations made by experts of Government. Mr. Rait who investigated the question has spoken very highly of the possibilities for that industry in this country. On his recommendation and on the recommendation of the Director of Industries assisted by a board consisting of officials and non-officials of the Legislative Council, a loan of Rs. 6 lakhs was sanctioned for the Carnatic Paper Mills some time ago. The Government no doubt granted that loan but in granting that, they stipulated a condition that the amount should be paid in liquidation of debts which were pressed on the Carnatic Paper Mills. Hon. Members were even then aware that after the amount granted by Government was completely utilized for liquidating the debts, the company would still be short of funds for working expenses. If the Government were really anxious and solicitous to improve the industries of the country, they should have treated the application of the Carnatic Paper Mills with much more generosity than they had done. Owing to this niggardly help, the paper mills, on account of the pressure of other unsatisfied creditors and also on account of the shortage of funds for carrying on their work, were obliged to reduce the working limit. Subsequently another application was made by the paper mills, and that application was supported by the Director of Industries under the State Aid to Industries Act. This application was made so early as 1925 for Rs. 3,03,000. It is a pity that the Government should be still wasting time without disposing of this application. Having regard to the fact that as much as 16 lakhs were invested by the shareholders and the public in this company, and having regard to the fact that we are anxious that the industries in this country should be encouraged and supported, it is really